

ORIGINAL

Decision No. 36704

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
BAHLER TRANSPORTATION, INC., a cor- )  
poration, to sell, and L. R. MEEKS to ) Application No. 25853  
buy, certificate of public convenience )  
and necessity. )

BY THE COMMISSION:

O P I N I O N

The above-entitled application requests authorization for the transfer of a highway common carrier operative right, authorizing the transportation of milk, cream, dairy products and dairy supplies, between Los Angeles, Pasadena, El Monte and San Bernardino, on the one hand, and Riverside, Colton and other points, on the other hand, from Bahler Transportation, Inc., a corporation, to L. R. Meeks. The right involved was created by the Commission's Decision No. 23290, rendered January 19, 1931, in Application No. 16692, and acquired by Bahler Transportation, Inc. under the authority of the Commission's Decision No. 28226, rendered September 16, 1935, in Application No. 20129.

The total consideration for the operative right is stated to be \$250. There is no proposal to transfer any physical assets. Such may be the understanding between the parties, but it should be clearly understood that the authorization hereinafter granted is not an approval of the purchase price in any respect, nor a finding of value for the purpose of rate fixing, issuance of securities, accounting, or for any other purpose.

L. R. Meeks is placed upon notice that "operative rights" as such do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the State which is not in any respect limited to the number of rights which may be given.

It appears that this is a matter in which a public hearing is not necessary and the application will be granted.

O R D E R

An application therefor having been filed and good cause appearing,

IT IS ORDERED that Bahler Transportation, Inc., a corporation, is hereby authorized to sell and transfer to L. R. Meeks the highway common carrier operative right created by the Commission's Decision No. 23290, in Application No. 16692, and acquired by said Bahler Transportation, Inc. under the authority of the Commission's Decision No. 28226, in Application No. 20129. L. R. Meeks is hereby authorized to purchase and acquire said operative right and hereafter to operate thereunder, subject to the following condition:

The authority herein granted is subject to the provisions of Section 52(b) of the Public Utilities Act and further to the condition that L. R. Meeks, his successors or assigns, shall never claim before this Commission, or any court or other public body, a value for said operative right or claim as the cost thereof an amount in excess of that paid to the State as the consideration for such right.

IT IS FURTHER ORDERED that applicants shall comply with the rules of the Commission's General Order No. 80 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, tariffs and time tables satisfactory to the Commission within sixty (60) days from the effective date hereof, and on not less than one (1) day's notice to the Commission.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 9<sup>th</sup> day of November, 1943.

Francis K. Stovene  
J. P. Hall  
Justus G. Cederer  
Richard Lachse  
COMMISSIONERS